A

ELSTER METERING LTD & ANOR

v.

PREMIER AMALGAMATED SDN BHD

B

HIGH COURT MALAYA, KUALA LUMPUR
HAMID SULTAN ABU BACKER JC
[COMMERCIAL TRIAL NO: D1-22-1282-2006]
15 SEPTEMBER 2009

C ***COPYRIGHT:*** *Assignment, of - Drawings - Whether ownership of copyright by assignment proven - Whether assignor was original owner - Threshold requirement of Copyright Act 1987 not satisfied - Retrospective assignment not to be entertained*

D ***COPYRIGHT:*** *Infringement - Establishing infringement - Whether copyright in drawings for water meter infringed - Ownership of copyright not established - Full set off original drawings not exhibited - Failure to prove substantial copying - Alleged infringing product was independently developed - No evidence to impute knowledge on alleged infringing party*

E ***COPYRIGHT:*** *Infringement - Ownership of copyright - Whether ownership proven - Copyright in drawings for water meter - Actual makers unknown - Reliance on statutory declaration made pursuant to Copyright Act 1987, s. 42(1) to establish copyright - Whether statutory declaration prima facie proof of copyright - Whether statutory declaration*
F *subject to proof under s. 101 Evidence Act 1950 - Ownership of copyright not established*

The plaintiffs claimed that they were the owner of the copyright subsisting in the original drawing for a water meter known as Kent
G PSM and its predecessor the Kent Water meter. The 2nd plaintiff was the licensee of the copyright in the drawing and the plaintiffs' water meter in Malaysia. According to the plaintiffs, Ningbo Water Meter Co. Ltd ('Ningbo') had infringed by reproducing in material form the drawings and the plaintiffs' water meter and the
H defendant had infringed by selling the infringed water meter. The defendant raised the following issues in its defence: (i) that there was no evidence to prove that the drawings and subsequent drawings with minor amendments had sufficient originality to enjoy copyright protection; (ii) that the statutory declaration of plaintiff
I to invoke copyright must fail as the drawings were not annexed and only subsequent drawings were annexed; (iii) that there was no substantial reproduction of the drawings; (iv) that any

similarities between the plaintiffs' and the defendant's water meter simply followed from the similar concept used which was not protected by copyright; and (v) that Ningbo was a established water meter manufacturer for 80 years and the water meter was a result of its own development efforts and was not copying of the plaintiffs' water meter. The plaintiffs did not produce the 1st drawings related to the copyright. Only subsequent drawings related to the amended version were produced. The plaintiffs were attempting to establish the case by putting in evidence a s. 42 statutory declaration pursuant to the Copyright Act 1987 ('CRA 1987'). There were numerous changes in the name of the original companies which claimed copyright and the 1st plaintiff was said to have obtained an assignment of the copyright, pursuant to a deed of assignment executed in 2000, which assignment attempted to place the 1st plaintiff retrospectively as copyright owner from 3 April 1966. The 2nd plaintiff was said to be the licensee of the copyright from 1995 when at that material time the deed of assignment dated 2000 was not executed. The 1st plaintiff also claimed that it was entitled to the copyright as it was originally done by the employees of the 1st plaintiff. This was in contradiction with the contents of the deed of assignment.

Held (dismissing the plaintiffs' claim):

(1) The plaintiffs, to establish copyright, had relied on the statutory declaration made pursuant to s. 42 of the CRA 1987 and attempted to say it was *prima facie* proof of copyright. The words in s. 42 are not sufficiently strong enough to override the salient provisions of the Evidence Act 1950. The principle being he who alleges must prove. *Prima facie* evidence of fact stated in s. 42 cannot be equated as *prima facie* proof. The facts stated in a s. 42 declaration are treated as *prima facie* evidence of facts stated therein which only assists the plaintiffs *inter alia* to prove the case, provided the strict requirement of the provision is complied with. Section 42 does not dispense with proof as set out in s. 101 of the Evidence Act 1950. Section 42 evidence *per se* can be negated by other conflicting evidence before the court. (para 10)

(2) The plaintiffs did not know who the actual makers were and in what capacity they did the drawings. These are some of the essential ingredients under the Act to establish copyright. Statutory declaration alone was not sufficient. (para 10)

(3) The 1st plaintiff by entering into the deed of assignment acknowledged that until 2000 the statutory requirement of assignment under the CRA 1987 had not been satisfied. It also showed that the 2nd plaintiff when the action was initiated could not have been a licensee *per se*. The assignor could not be said to be the original owner as set out in s. 37 of the CRA 1987 and the plaintiffs had not satisfactorily established according to the threshold requirement of the Act. A retrospective assignment for purpose of the CRA 1987 ought not to be entertained as it may encourage litigation or fraudulent litigation by the execution of self serving statements etc. (para 10)

(4) There was much merit in the contention of the defendant *inter alia* that: (i) the plaintiffs had failed to produce any employment records in relation to the makers. The drawings only carried the initials of the maker. In consequence, the 1st plaintiff had failed to prove ownership of the copyright subsisting in the drawings; (ii) the statutory declaration did not annex the 1st issue of the drawings but subsequent issues only. The drawings did not carry dimensions. In consequence, s. 42 of the Act was not complied with; (ii) the drawings were subsequent issues. In consequence, they did not have sufficient originality as required under copyright law; (iv) the plaintiffs should have produced a full set of the drawings that described the Kent PSM meter but only six drawings were relied on; (v) the plaintiffs had failed to prove that a substantial part of the Kent PSM meter had been copied; (vi) the defendant's meter had been independently developed; and (vii) the plaintiffs had tendered no evidence beyond the letter of demand to impute 'knowledge' on the part of the defendant. (para 10)

Case(s) referred to:

Andritz Sprout-Bauer Australia Pty Ltd and Andritz Sprout-Bauer Societe Anonoyme v. Rowland Engineering Sales Pty Ltd and Neil Phillip Rowlad [1993] FCA 550 ***(refd)***

City of Westminster v. Clifford Culpin and Partner [1987] 12 Con LR 117 CA ***(refd)***

Creative Purpose Sdn Bhd v. Integrated Trans Corporation Sdn Bhd & Anor [1997] 2 CLJ Supp 107 HC ***(refd)***

Designers Guild Ltd v. Russell Williams (Textiles) Ltd [2000] All ER (D) 1950 ***(refd)***

Francis Day & Hunter v. Bron [1963] Ch 587 ***(refd)***

George Ward (Moxley) Ltd v. Richard Sankey [1988] FSR 66 ***(refd)***

Chong Kak Hau v. PP [2009] 8 CLJ 10 HC ***(refd)***
Goodacre v. Meyer and Another [2002] EWHC 1785 (Ch) ***(refd)***
Goodyear Tire & Rubber Company & Another v. Silverstone Tire And Rubber Co Sdn Bhd [1994] 1 CLJ 509 HC ***(refd)***
Hexagon Tower Sdn Bhd v. Polydynamic Holdings Sdn Bhd & Ors [2005] 4 AMR 384 ***(refd)***
Interlego AG and Tyco Industries Inc and Others [1988] 3 WLR 678 ***(refd)***
IPC Media Ltd v. Highbury-Leisure Publishing Ltd [2005] FSR 434 ***(refd)***
Kiwi Brands (M) Sdn Bhd v. Multiview Enterprises Sdn Bhd [1998] 2 CLJ Supp 194 HC ***(refd)***
Lau Foo Sun v. Government of Malaysia [1969] 1 LNS 78 ***(refd)***
Microsoft Corporation v. Yong Wai Hong [2008] 6 CLJ 223 CA ***(refd)***
Peko Wallsend Operations Ltd & Ors v. Linatex Process Rubber Bhd [1993] 2 CLJ 94 HC ***(refd)***
PP v. Sim, Odita, Muhammad Architects Sdn Bhd [2008] 3 CLJ 623 HC ***(refd)***
Re Greenfield Products Pty Limited v. Rover-Scott Bonnar Limited [1990] FCA 111 ***(refd)***
Rajagopal Santhanam v. PP [1998] 1 LNS 485 ***(refd)***
Rock Records (M) Sdn Bhd v. Audio One Entertainment [2005] 1 CLJ 200 HC ***(refd)***
Solid Gold Publishers Sdn Bhd v. Chan Wee Ho & Ors [1998] 5 CLJ 735 HC ***(refd)***
The Atlas Ceiling & Partition Co Ltd v. Crowngate Esates (Cheltenham) 2000 WL 742076 ***(refd)***
The Film Investment Corporation of New Zealand (Receiver Appointed) and Another v. Golden Editions Pty Ltd (T/A Hughes Leisure Group) [1994] 28 IPR 1 ***(refd)***
Trollope & Colls v. Atomic Power Contractors [1963] 1 WLR 333 ***(refd)***
Ultra Dimension Sdn Bhd v. American Home Assurance Co (Rewardstreet.com (M) Sdn Bhd, Third Party) [2009] 9 CLJ 589 HC ***(refd)***
University of London Press Ltd v. University Tutorial Press Ltd [1916] 2 Ch 601 ***(refd)***
Westpac Banking Corporation and Anor v. Market Services International Pty Ltd and Ors [1996] VIC Lexis 1096 ***(refd)***

Legislation referred to:
Copyright Act 1987, ss. 7(3), 10(1), 26(1), (2), (4), 27(3), 36(2), 37(1), (5), 42(1)
Evidence Act 1950, ss. 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 101
Rules of the High Court 1980, O. 14

Copright Act [Sing], s. 137

Other source(s) referred to:
Copinger and Skone James, 13th edn, pp 187, 192

A *For the plaintiff - Timothy Siaw (Teng Wei Ren with him); M/s Shearn Delamore & Co*
For the defendant - Rajendra Navaratnam (Tay Kian Har with him); M/s Azman Davidson & Co

B *Reported by Amutha Suppayah*

JUDGMENT

C **Hamid Sultan Abu Backer JC:**

[1] This is my judgment in respect of the plaintiffs' action premised on copyright, against the defendant, who is the distributor of the infringed product, complained of.

D **Brief Facts**

[2] The plaintiffs say (i) the 1st plaintiff is the owner of copyright subsisting in original drawing for water meter known as Kent PSM and its predecessor the Kent Water Meter; (ii) the 2nd plaintiff is the licensee of the copyright in the drawing and the E plaintiffs' water meter in Malaysia; (iii) Ningbo Water Meter Co. Ltd (Ningbo) has infringed by reproducing in material form the drawings and the plaintiffs' water meter; (iv) the defendant has infringed by selling the infringed water meter.

F **[3]** The defendant says (i) there is no evidence to prove the drawings and subsequent drawings with minor amendments to have sufficient originality to enjoy copyright protection; (ii) the statutory declaration of plaintiff to invoke copyright must fail as the drawings were not annexed and only subsequent drawings were G annexed; (iii) no substantial reproduction of the drawings; (iv) any similarities between the plaintiffs' and the defendant's water meter simply follow from the similar concept used which is not protected by copyright; (v) Ningbo is an established water meter manufacturer for 80 years and the water meter was a result of its H own development efforts and was not copying of the plaintiffs' water meter.

Preliminaries

I **[4]** Three witnesses gave evidence for the plaintiffs and two for the defendant. The plaintiffs did not produce the 1st drawings related to the copyright. Only subsequent drawings related to the

amended version were produced. In essence, the plaintiffs were attempting to establish the case by putting in evidence a s. 42 statutory declaration pursuant to Copyright Act 1987 (CRA 1987). A

[5] In addition, it must also be noted there were numerous changes in the name of the original companies which claim copyright and the 1st plaintiff is said to have obtained an assignment of the copyright, pursuant to a deed of assignment executed in 2000, which assignment attempts to place the 1st plaintiff retrospectively as copyright owner from 3 April 1966, that too more than 30 years later. B C

[6] In addition, there are further complications in the plaintiffs' case in that the 2nd plaintiff is said to be the licensee of the copyright from 1995 when at that material time the deed of assignment dated 2000 was not executed. D

[7] It also must be noted in this case that PW1, who was the witness armed with the statutory declaration, stated that the 1st plaintiff is entitled to the copyright as it was originally done by the employees of the 1st plaintiff. This part of the evidence in my view appears to be a material contradiction in the light of the contents of the deed of assignment. It must be emphasized that where there are changes in ownership the nexus of the copyright from the originator must be clearly shown to satisfy all the criteria set out under the Act. In essence break in chain will be fatal. I have dealt with this area of law in *Ultra Dimension Sdn Bhd v. American Home Assurance Co (Rewardstreet.com (M) Sdn Bhd, Third Party)* [2009] 9 CLJ 589. E F

Arguments G

[8] In respect of authorship and/or ownership the learned counsel for the defendant says as follows:

(i) PW1 in his examination in chief stated that all the makers of the Drawings were in the employment of the company. H

(ii) Under cross-examination however he admitted that he derived his knowledge from the company's drawing sheets, and because an unidentified colleague in the company told him so. In the context of this answer, it must be borne in mind that the Drawings merely carried the initials of the maker, and not the maker's name. I

(iii) However he failed to produce any contract of employment or other contemporaneous company records prove this vital point.

(iv) The Plaintiff could not even name one of the makers of the Drawings. The drawing of the working chamber assembly only carries an initial of the maker. This shows that the Plaintiffs do not know who is the actual makers and in what capacity they do the drawing.

And relies on the case of *Goodyear Tire & Rubber Company & Another v. Silverstone Tire And Rubber Co. Sdn Bhd* [1994] 1 CLJ 509 where the court stated:

> As for the authorship, it is not clear who was or were the artists of the drawings, whether he or they were qualified, when the drawings were done, to determine whether the copyright still subsists, and whether the artist or artists was or were employed or contracted by the plaintiffs to do the drawings. There is also no clear evidence as to whether the drawings are original.

And in addition says:

> Even though the Drawings were made on the 1st Plaintiff's drawing sheet and the name of the company were seen in the Drawings, the Defendant submits that the 1st Plaintiff has similarly failed to prove with direct evidence that they have ownership on the copyright of the Drawings.
>
> In the event the Plaintiffs are minded to invoke section 26(4)(a) of the Copyright Act 1987 which provides the name on a work purporting to be the name of its author shall be considered as such, unless the contrary is proved, it must be pointed out that this presumption only refers to the author and not the owner of the copyright which is what is required to be established in these proceedings.

And distinguishes the case of *Creative Purpose Sdn Bhd v. Integrated Trans Corporation Sdn Bhd & Anor* [1997] 2 CLJ Supp 107 and says it seems to ignore the express words of the statute and uses the terms of authorship and ownership interchangeably. And asserts that the court is not bound by *Creative Purpose (supra)* and ought to give effect to the express words of the statute, especially where strict compliance of the CRA 1987 is a condition precedent to establish subsistence of copyright, as stated in my decision in *PP v. Sim, Odita, Muhammad Architects Sdn Bhd* [2008] 3 CLJ 623.

In respect of s. 42 of CRA 1987 which the plaintiffs rely on to establish copyright, the defendant says: A

(i) Section 42 CRA 1987 states as follows:

> (1) An affidavit or Statutory Declaration made before any person having authority to administer oath by or on behalf of any person claiming to be: B
>
> (a) the owner of the copyright in any works eligible for copyright under this Act stating that:
>
> (i) at the time specified therein copyright subsisted in such work; C
>
> (ii) he or the person named therein is the owner of the copyright; and
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> (iii) a copy of the work annexed thereto is the true copy thereof; or D
>
> shall be admissible in evidence in any proceedings under this Act and shall be *prima facie* evidence of the facts therein
>
> (2) Any person who is authorised to act on behalf of the owner of the copyright or performance for the purposes of subsection (1) shall be required to produce such authorisation in writing. E

(ii) Section 42(1) raises a statutory presumption that the person named in the statutory declaration is the owner of the copyright, provided the statutory declaration complies with the requirements of s. 42(1): (see *Microsoft Corporation v. Yong Wai Hong* [2008] 6 CLJ 223). F

(iii) In *PP v. Sim, Odita , Muhammad Architects Sdn Bhd* [2008] 3 CLJ 623, I have held that strict compliance of the CRA 1987 is a condition precedent to establish subsistence of copyright. G

(iv) In addition, the opposing party will invariably be deprived of the opportunity of a fundamental right to conduct cross examination on the owner/maker to determine the veracity and credibility of the facts contained in the s. 42 statutory declaration. H

(v) In the instant case, none of the plaintiffs' witnesses had personal knowledge in respect of the issue of copyright. In essence, the defendant says it is hearsay evidence and not admissible to establish copyright according to law. I

A In addition, the defendant asserts that the requirement under s. 42 was not satisfied, as the copy of the work annexed was not a true copy and this was admitted by PW1 who stated that they were subsequent issues (modified versions of the first issues) of the drawings. And relies on the case of *Solid Gold Publishers Sdn Bhd* B *v. Chan Wee Ho & Ors* [1998] 5 CLJ 735, where the learned judge held that:

> With regard to all supporting enclosures, *viz* 4, 5, 6 and 7 none of them had enclosed certified documents to show that the works C eligible for copyright were true copies. Instead the works were merely listed down. To aggravate matters, the works were adduced in a photostated form, which unless excepted, pursuant to the Evidence Act, were inadmissible as they fell within the hearsay rule.

D Further, the defendant says that s. 42 evidence can be rebutted by other evidence tendered in the proceedings. And relies on the case of *Microsoft Corporation v. Yong Wai Hong* [2008] 6 CLJ 223 where per Gopal Sri Ram JCA held that:

> E In the present case, the appellant filed an affidavit which complies with s. 42(1) of the Copyright Act. The effect of that is to provide *prima facie* evidence of the fact of the appellant's ownership of the copyright over the several works in question. It was then for the respondent to offer positive evidence to displace the appellant's *prima facie* ownership, for example, by showing F that some other person is the true owner of the claimed copyright.

And also asserts that modified version is not good to establish copyright. More so as in the instant case, the general arrangement drawing carries no dimension. And relies on the case of *George* G *Ward (Moxley) Ltd v. Richard Sankey* [1988] FSR 66, where the issue involved was drawings with no dimensions. Whitford J held in that case that in such circumstances there was no infringement of copyright, and all that could be copied was the idea (which is incapable of protection under copyright law, which protects the H expression of ideas and not the ideas themselves).

Very importantly the defendant says the subsequent issues with minor amendments do not have sufficient originality to enjoy copyright in law. And relies on a paragraph of a book by learned I authors of *Copinger and Skone James*, 13th edn, p. 192 where it is stated:

> Thus if the plaintiff's drawing is based partly upon an earlier drawing and all that the defendant has appropriated is the work of the earlier draughtsman, there will be no infringement of the drawing in which the plaintiff claims copyright. It will of course be the case that if the plaintiff's drawing is based wholly upon an earlier drawing, such that there is no copyright in the plaintiff's drawing at all, there can be no infringement.

And also relies on the case of *Interlego A.G and Tyco Industries Inc. and Others* [1988] 3 WLR 678 where it was held that:

> There must in addition be some element of material alteration or embellishment to make the totality of the work an original work. Of course, even a relatively small alteration or addition may, if material, sufficient to convert that which is substantially copied from an earlier work into an original work. Whether or not it does so is a question of degree having regard to the quality rather than the quantity of the addition. But copying, *per se*, however much skill or labour may be devoted to the process, cannot make an original work ... Moreover, it must be borne in mind that the Copyright Act 1956 confers protection in an original work for a generous period. The prolongation of the period of statutory protection by periodic reproduction of the original work with minor alterations is an operation which requires to be scrutinised with some caution to ensure that that for which protection is claimed really is an original artistic work.

The defendant in support of the argument that there was no infringement on the facts of the case relies on the case of *Francis Day & Hunter v. Bron* [1963] Ch 587, where Diplock LJ states as follows:

> It is well established that to constitute infringement of copyright in any literary, dramatic or musical work there must be present two elements: First, there must be sufficient objective similarity between the infringing work and the copyright work, or a substantial part thereof, for the former to be properly described, not necessarily as identical with, but as a reproduction or adoptation of the latter, secondly, the copyright work must be the source from which the infringing work is derived. There must be a causal connection between the copyright work and the infringing work.

And also relies on *Copinger (supra)* where at p. 187 it was stated as follows:

> With regard to truly original artistic works, the question whether the defendant has made such a use of the plaintiff's work can generally be answered merely by a comparison of the two works. Here a useful test of a copy is that which comes so near to the original or, alternatively, that which comes so near to the original as to suggest that original to the mind of every person seeing it. Whether or not there has been an infringement must be a matter of degree and, in the case of artistic work, the degree of resemblance is to be judged by the eye. But in the case of commercial designs, general resemblance is not so good a test, since resemblance may be due to common subject matter or stock designs and it is necessary to make a close examination of detail to see whether there has been infringement.

And asserts that the straight-through concept employed by both the plaintiffs and Ningbo may seem to give a general resemblance but a detailed examination however will reveal significant differences between two meters.

In addition, the defendant says Ningbo, a well established manufacturer for the last 80 years, has independently developed its water meter. And relies on the case of *Goodyear Tire & Rubber Company & Another v. Silverstone Tire And Rubber Co. Sdn Bhd* [1994] 1 CLJ 509 where the learned judge held that:

> Copyright is not a monopoly, unlike patents and registered designs. Thus, if it can be shown that two precisely similar works were in fact produced wholly independently of one another, there can be no infringement of copyright by one of the other.

And asserts that the apparent similarity of configuration of the plaintiffs' and defendant's meter is stemmed from their common design concept or idea, which is not protected by copyright law. And relies on the case of *Kiwi Brands (M) Sdn Bhd v. Multiview Enterprises Sdn Bhd* [1998] 2 CLJ Supp 194.

As a final point, the defendant says the plaintiffs have failed to show any evidence that the defendant, who was only a distributor, knew or ought to reasonably have known that the making of the article was carried out without the consent or license of the plaintiffs. And relies on s. 36(2) of CRA 1987 which reads as follows:

> Copyright is infringed by any person who, without the consent or licence of the owner of the copyright, imports an article into Malaysia for the purpose of:

(a) selling, letting for hire, or by way of trade, offering or exposing for sale or hire, the article;

(b) distributing the article:

(i) for the purpose of trade; or

(ii) for any other purpose to an extent that it will affect prejudicially the owner of the copyright; or

(c) by way of trade, exhibiting the article in public,

where he knows or ought reasonably to know that the making of the article was carried out without the consent or license of the owner of the copyright.

Plaintiffs' Argument

[9] The learned counsel for the plaintiffs says that the drawings are eligible for copyright protection. And relies on the case of *Peko Wallsend Operations Ltd & 3 Ors. v. Linatex Process Rubber Bhd* [1993] 2 CLJ 94) and *Hexagon Tower Sdn Bhd v. Polydynamic Holdings Sdn Bhd & 3 Ors* [2005] 4 AMR 384. In *Hexagon (supra)*, the court stated:

> The issue at this point is whether the Plaintiff's Drawings or the Artistic Works are capable of copyright. The relevant provisions on this issue is section 7(1)(c) of the Copyright Act 1987 which provides that works eligible for copyright shall include "artistic works". The Plaintiff's Drawings in the present case constitute an "artistic work" as they fall within the interpretation of "artistic work" as set out in section of 3 of the Act, being "a graphic work, irrespective of artistic quality". The words "graphic work" in further defined in section 3 of the Act to include "any painting, drawing, diagram, map, chart or plan".

And asserts that there is no copyright in an idea but copyright resides in the material form in which the idea is embodied. And says the express material form wherein the idea can only be protected is provided in s. 7(3) of the Act, which reads:

> A literary, musical or artistic work shall not be eligible for copyright unless:
>
> (a) sufficient effort has been expended to make the work original in character; and
>
> (b) the work has been written down, recorded or otherwise reduced to material form.

A And relies on the case of *University of London Press Ltd v. University Tutorial Press Ltd* [1916] 2 Ch. 601 where the issue of the originality was decided. In that case at p. 608 it was stated as follows:

B > Assuming that they are 'literary work', the question then is whether they are original. The word 'original' does not in this connection mean that the work must be the expression of original or inventive thought. Copyright Acts are not concerned with the originality of ideas, but with the expression of thought, and in the case of 'literary work' the expression of though in print and in
C writing. The originality which is required relates to the expression of the thought. But the Act does not require that the expression must be in an original or novel form, but that the work must not be copied from another work – that it must originate from the author

D And at p. 609 it was stated:

> It was said, however, that they drew upon the stock of knowledge common to mathematicians, and that the time spent in producing the questions was small. These cannot be tests for
E determining whether copyright exists

And also relies on the case of *Kiwi Brands (Malaysia) Sdn Bhd v. Multiview Enterprises Sdn Bhd* [1998] 2 CLJ Supp 194 where it was stated:

F > The word "original" that appears in s. 7(3)(a) of the Copyright Act 1987 does not mean that the work must be the expression of original or inventive thought. I am of the considered view that the originality which is required relates to the expression of the thought; it does not require that the expression must be in an
G original or even novel form. The work must not be copied from another work. It should originate from the author …
>
> … The skill and labour needed to give any given idea some particular material form, and it is that form in which the work is presented that is protected by copyright.

H And also relies on the case of *Lau Foo Sun v. Government of Malaysia* [1969] 1 LNS 78, where Ali FJ stated:

> The word 'originality' under section 3(1) of the Enactment as it stands clearly does not mean originality of idea or thought. It
I refers to the work either published or unpublished. Originality of idea is not the subject matter of copyright.

The plaintiffs rely on s. 26 CRA 1987 which states as follows: A

(1) Copyright conferred by section 10 shall vest initially in the author.

(2) Notwithstanding subsection (6) of section 27, where a work: B

(a) is commissioned by a person who is not the author's employer under a contract of service or apprenticeship; or

(b) not having been so commissioned, is made in the course of the author's employment, C

the Copyright shall be deemed to be transferred to the person who commissioned the work or the author's employer, subject to any agreement between the parties excluding or limiting such transfer. D

(3) ...

(4) Subject to subsection (3):

(a) the name on a work purporting to be the name of its author shall be considered as such, unless the contrary is proved E

And says each of the drawings contain the following particulars:

a) The initials of the maker

b) The copyright symbol and words '© Kent Meters Limited' F

In addition, in all the drawings but for MEB 4930/4931, there is a copyright notice which states:

Copyright Reserved. Reproduction outside the Kent Group/ Organisation is forbidden without legal permission. G

And asserts from the name on the drawings, there is a statutory presumption of ownership being vested in, firstly, the maker of the drawings, by virtue of s. 26(1) and s. 26(4) of the Act. Thereafter, by virtue of s. 26(2) of the Act, the copyright subsisting in the drawings shall be deemed to be transferred to the employer, namely the 1st plaintiff's predecessor, Kent Meters Limited. H

And also says that the fact that Kent Meter Ltd is named on each of the drawings creates a presumption that they are the owners of the drawings. And relies on s. 10(1) of CRA 1987, which states: I

> Copyright shall subsist in every work eligible for copyright of which the author or in the case of a work of joint ownership, any of the authors is, at the time when the work is made, a qualified person.

And relies on the case of *Creative Purpose (supra)* where it was stated:

> In the circumstances, if an 'author' can also mean a 'qualified person' and 'qualified person' is defined by the Act as including a body corporate, it cannot be right to read the word "author" in s. 26(4) as referring only to natural persons. By the same token, it is my judgment that the presumption raised (under section 26) cannot be limited to mere authorship, but should be read properly to cover the issue of ownership.
>
> …
>
> It is my finding that once there is a display on the program the name of a person, or a corporate body, then by virtue of s. 10 of the Act read together with Section 26(4) of the Act, copyright ownership vests in the said person or corporate body.

In respect of s. 42 CRA 1987, the plaintiffs says that it is important to note that the provisions under s. 42 of the Act is also widely adopted in other jurisdictions in order for those countries to carry out their obligations under the TRIPS agreement. For instance, the corresponding s. 137 of the Singapore Copyright Act reads as follows:

> Affidavit evidence
>
> 137. (1) An affidavit made before a notary public by or on behalf of the owner of the copyright in any work or other subject-matter and stating:
>
> (a) that at the time specified therein, copyright subsisted in the work or other subject-matter;
>
> (b) that he or the person named therein is the owner of the copyright; and
>
> (c) that the copy of the work or other subject-matter annexed thereto is a true copy thereof,
>
> shall be admitted in evidence in any proceedings for an offence under this Part and shall be *prima facie* proof of the matters stated therein until the contrary is proved.

(2) The court before which such affidavit is produced shall presume that the affidavit was made by or on behalf of the owner of the copyright.

(3) If an accused to any proceedings for an offence under this Part desires in good faith that the person who made an affidavit referred to in subsection (1) be cross-examined with respect to the matters in the affidavit, the affidavit may not be used in the proceedings unless the person appears as a witness for such cross-examination or the court before which the proceedings are being conducted, in its discretion, permits the affidavit to be used without the person so appearing.

And relies on the case of *Rock Records (M) Sdn Bhd v. Audio One Entertainment* [2005] 1 CLJ 200, where the plaintiff applied for and succeeded in obtaining a summary judgment under O. 14 of the Rules of the High Court 1980. It was held that the plaintiff had adduced *prima facie* evidence of its claim to the subsistence and ownership of copyright in the works under s. 42 of the Act. The court at p. 209 stated:

It is quite apparent that s. 42 of the Copyright Act 1987 prescribes the manner of proving copyright subsistence and ownership of works. It provides that an affidavit or statutory declaration to be made by the copyright owner or persons authorised by the copyright owner and such affidavit or statutory declaration shall be admissible in any proceedings as *prima facie* evidence of the facts contained therein. It is quite obvious that s. 42 of the Copyright Act 1987 was enacted to facilitate and ease the process of proving copyright ownership. It is a concession of a sort. It circumvents the requirement of having to produce supporting documentary evidence which may be antiquated and voluminous. Section 42 of the Copyright Act 1987 places the burden on the infringer to dispute and challenge the *prima facie* evidence adduced by the copyright owner.

And relies on the Court of Appeal case of *Microsoft (supra)* and pleads that s. 42 should be construed according to its ordinary signification. And asserts that, the prevailing law today is that s. 42 should be construed to its plain and ordinary meaning, unless, in the future, the Federal Court interprets s. 42 in a different manner or prescribes additional requirements to the conditions laid down under s. 42.

The plaintiff says the pre-condition to s. 42 was set out in *Chong Kak Hau v. PP* [2009] 8 CLJ 10, where in reliance of the case in *Rajagopal a/l Santhanam v. PP* [1998] 1 LNS 485 the court stated as follows:

(a) it must be made by or on behalf of the person claiming to be the copyright owner;

(b) it must state the copyright subsists in the work at the time specified;

(c) that he or the person named therein is the owner of the copyright;

(d) a true copy of the work is annexed

(e) the person who is authorised to act on behalf of the copyright must produce such an authorisation in writing

And asserts the plaintiffs' statutory declaration complies with the said pre-condition.

The plaintiffs set out the chronology and its predecessors of the 1st plaintiff's company as follows:

a) Prior to 1.4.1966, George Kent Limited, carried on a mechanical meter business (including water meters). Kent Meters Limited was incorporated on 14.3.1966. On 3.4.1966, Kent Meters Limited took over the mechanical meter business of the George Kent Limited together with all its intellectual property rights (including copyright) and associated goodwill.

b) Thereafter, George Kent Limited changed its name to Brown Bovari Kent Limited on 1.1.1980. Brown Boveri Kent Limited was subsequently re-registered as a public company as Brown Boveri Kent Limited Plc on 18.3.1982. Brown Boveri Kent Limited Plc subsequently changed its name to ABB Kent Plc on 6.6.1988. ABB Kent Plc subsequently changed its name and re-registered as a private company to ABB Metering Holdings Limited on 11.1.1999. ABB Metering Holdings Limited subsequently changed its name to Elster Metering Holdings Limited on 5.12.2002.

c) Kent Meters Limited changed its name to ABB Metering Limited on 15.1.1999. It subsequently changed its name to Elster Metering Limited on 5.12.2002.

And says that even though on the facts of the case the assignment of copyright was made subsequent to the transfer that is sufficient to satisfy s. 27(3) of CRA 1987 which states as follows:

> 27. Assignment, licences and testamentary disposition.
>
> (3) No assignment of copyright and no licence to do an act the doing of which is controlled by copyright shall have effect unless it is in writing.

And relies on the case of *Re Greenfield Products Pty Limited v. Rover-Scott Bonnar Limited* [1990] FCA 111, an Australian Federal Court case, on copyright infringement. In that case the contract of sale made no express reference to assignment of copyright and therefore the respondent argued that in the absence of a written assignment, the applicant had no copyright in any of the drawings prior to the date of acquisition of the business. However, Pincus J held at para 18 and 19 as follows:

> While I accept that some contractual gaps may be filled only by rectification, it is my opinion that merely to show that there is room for inference that the gap is due to a mistake does not remove the possibility of filing it by implication or construction … It is my view that, had the transaction been one at arm's length, an assignment of copyright would have been implied. It is absurd to suppose that the true intention was to assign the business including goodwill and patents but leave copyright with the assignor…there can be no doubt that its general intention was that all assets used in the business should go over; the omission particularly to mention a certain asset could *prima facie* be remedied by an implied term
>
> …
>
> Is there then a "writing" for the purposes of s. 196(3) of the Copyright Act, which requires writing for an effective assignment? In my opinion, there is. It has become clear that documents which do not in terms assign copyright can suffice for the purposes of a provision such as s. 196(3).

And also in the case of *Andritz Sprout-Bauer Australia Pty Ltd and Andritz Sprout-Bauer Societe Anonoyme v. Rowland Engineering Sales Pty Ltd and Neil Phillip Rowlad* [1993] FCA 550, wherein the term that copyright in the drawings were assigned was implied by the court due to the following circumstances:

> The only source of value in the drawings … was their use in reproducing a version of the artistic work in three-dimensional form, namely manufacturing machines shown on the drawings in a two-dimensional form. In order to use the drawings lawfully to manufacture the machines Andritz required either the copyright or the license of the owner of the copyright. Nothing in the circumstances suggested a license. I think all the circumstances require the implication of a term that copyright in the drawings be assigned
>
> …
>
> The criterion is the necessity which exists to imply the term if a commercial (or other economic) object which the contract can be seen to be intended to achieve is to be possible for attainment. It is a criterion very nearly the same as the criterion of obviousness …

In conclusion, the plaintiffs says that there is substantial reproduction of the artistic work and relies on the House of Lords decision in *Designers Guild Ltd v. Russell Williams (Textiles) Ltd* [2000] All ER (D) 1950 where it was stated:

> The first step in an action for infringement of artistic copyright is to identify those features of the defendant's design which the plaintiff alleges have been copied from the copyright work. The court undertakes a visual comparison of the two designs, noting the similarities and the differences. The purpose of the examination is not to see whether the overall appearance of the two designs is similar, but to judge whether the particular similarities relied on are sufficiently close, numerous or extensive to be more likely to be the result of copying than of coincidence. It is at this stage that similarities may be disregarded because they are commonplace, unoriginal, or consist of general ideas. If the plaintiff demonstrates sufficient similarity, not in the works as a whole but in the features which he alleges have been copied, and establishes that the defendant had prior access to the copyright work, the burden passes to the defendant to satisfy the judge that, despite the similarities, they did not result from copying.
>
> Even at this stage, therefore, the inquiry is directed to the similarities rather than the differences. This is not to say that the differences are unimportant. They may indicate an independent source and so rebut any inference of copying. But differences in the overall appearance of the two works due to the presence of features of the defendant's work about which no complaint is made are not material. In the present case the disposition of the flowers

> and (except in one instance) the colourways of the defendant's design are very different from those of the plaintiff's design. They were not taken from the copyright work, and the plaintiffs make no complaint in respect of them. They make a significant difference to the overall appearance of the design. But this is not material where the complaint is of infringement of copyright and not passing off.
>
> Once the judge has found that the defendant's design incorporates features taken from the copyright work, the question is whether what has been taken constitutes all or a substantial part of the copyright work. This is a matter of impression, for whether the part taken is substantial must be determined by its quality rather than its quantity. It depends upon its importance to the copyright work. It does not depend upon its importance to the defendant's work, as I have already pointed out. The pirated part is considered on its own (see *Ladbroke (Football) Ltd. v. William Hill (Football) Ltd.* [1964] 1 WLR 273, 293, per Lord Pearce) and its importance to the copyright work assessed. There is no need to look at the infringing work for this purpose.

On the issue of whether reverse engineering will constitute copyright infringement under the Act, the plaintiffs rely on the case of *Peko Wallsend Operations Ltd & 3 Ors. v. Linatex Process Rubber Bhd* [1993] 2 CLJ 94, where it was stated:

> ... statutory protection has been vested not only in the engineering drawings but in the products manufactured from such drawings. Since direct copying or reproducing any material part of the engineering drawings or their product without the consent of the copyright owner amounts to infringement of the copyright to such engineering drawings or product, it follows that the copying or reproduction through the ingenuous method of reverse engineering must necessarily infringe the copyright in such engineering drawings. To conclude otherwise would give scant regard to the protection afforded by the Act. Since the essence of the infringement is the wrong done by copying or reproducing a product which is subject to statutory control either in its 2 dimensional or 3 dimensional form, the method adopted for such copying and reproduction cannot be questioned and narrowed to challenge the protection afforded by the Act.

And also asserts that no negative imputation should arise from the fact the plaintiffs have relied on only six of their drawings. And relies on the case of *IPC Media Ltd v. Highbury-Leisure Publishing Ltd* [2005] FSR 434 where it was stated:

> Occasionally, a claimant may have difficulty in identifying which of his works the defendant has copied. In some cases, this is because the defendant has not copied. In others, it may be because the author of the copyright work has produced a large number of very similar works. In such a case, it may be difficult to identify which of the individual works were copied. The copied material is present in all of them … the court may be persuaded that the specific copyright works relied upon in the action are either the precise ones copied directly or indirectly, by the defendant or that they substantially reproduce the earliest copyright work which was copied and therefore amount to evidence of what that earliest copyright work was like.

And in conclusion states (i) the drawings are eligible for copyright protection; (ii) the 1st plaintiff is the owner of the copyright; (iii) there was infringement and defendant knew.

[10] I have heard the evidence, seen and examined the relevant exhibits, read the relevant documents and submission of the parties in detail. I do not think it is necessary for me to set out the evidence or submission in detail as the parties have adequately dealt with it and the court is grateful. I take the view that the plaintiffs' claim must be dismissed. My reasons *inter alia* are as follows:

(a) The law does not entertain a general claim in copyright unless the threshold requirement set out in the Act is established by the plaintiffs. Inroads by case laws in other jurisdiction to recognize copyright in breach of the salient provisions of CRA 1987 will not be ordinarily entertained by the courts, and if it does so the decision must always be treated as *per incuriam*. It is pertinent to note that CRA 1987 clearly states that no copyright shall subsist otherwise than by virtue of the Act. Section 37(1) and (5) CRA 1987 reads as follows:

> Section 37(1)
>
> Subject to this Act, infringements of copyright shall be actionable at the suit of the owner of the copyright and in any action for such an infringement. all such relief by way of damages, injunction, accounts or otherwise, shall be available to the plaintiff as are available in any corresponding proceedings in respect of infringement of other proprietary rights.

Section 37(5)

For the purposes of this section, owner of the copyright means the first owner or an assignee, as the case may be, of the relevant part of the copyright.

In *Solid Gold Publishers Sdn. Bhd v. Chan Wee Ho* [1998] 5 CLJ 735, Suriyadi J (as he then was) observed:

Under s. 37(5) of the Copyright Act 1987, an owner of the copyright means the first owner or an assignee, as the case may be, or the relevant part of the copyright. By due construction of the provision, it is quite safe to conclude that the assignee is not the first owner, as he is a person who has been conferred with that exclusive right or license to deal with the infringed items as consented to or licensed by the latter. To prove that they are licensees, to qualify as owners of the copyright, it would be incumbent upon the plaintiffs to adduce credible and admissible evidence ie, the very basis of their claim. The success of that exercise not only must encompass Solid Gold but also Cineart Enterprise Sdn. Bhd. This is so as Solid Gold not only was litigating on its own behalf but also for Cineart Enterprise Sdn Bhd.

It is clear from the submission of the defendant which I have set out earlier that the plaintiffs have not satisfied the threshold requirement of the Act.

(b) The plaintiffs, to establish copyright, have relied on the statutory declaration made pursuant to s. 42 of CRA 1987 and attempts to say it is *prima facie* proof of copyright. A proper reading and interpretation of the said section will clearly show that the words are not sufficiently strong enough to override the salient provisions of the Evidence Act 1950. The principle being he who alleges must prove. *Prima facie* evidence of fact stated in s. 42 cannot be equated as *prima facie* proof. The jurisprudence relating to s. 42 can be explained as follows:

(i) The law on evidence will not entertain a person to give evidence if the evidence is hearsay and/or not relevant (see s. 5 to 14 EA 1950).

(ii) Section 42 allows any person to give evidence to introduce s. 42 declaration and the facts stated therein are treated as *prima facie* evidence of facts stated therein. The said evidence cannot be struck out as hearsay and/or irrelevant etc. The court is obliged to consider the evidence as facts stated therein but does not mean it is an easy weapon for the plaintiffs to assert that they have by the statutory declaration proved their case for copyright. Such an interpretation may create unjust result and entertain fraudulent claim to establish monopoly in trade. That is not permitted. The Court of Appeal in *Microsoft (supra)* was careful in its adumbration and never mentioned '*prima facie* proof' a construction which would not have been intended by Parliament.

(iii) *Prima facie* evidence of facts stated therein as stated in s. 42 only stands to assist the plaintiffs *inter alia* to prove the case, provided the strict requirement of the provision is complied with. If not for s. 42, statutory declaration will not ordinarily be admissible and will stand as a self serving statement. Section 42 does not dispense with proof as set out in s. 101 EA 1950. And s. 42 evidence *per se* can be negated by other conflicting evidence before the court.

(c) From the evidence and submission of the parties it is clear that the plaintiffs do not know who the actual makers are and in what capacity they did the drawings. These are some of the essential ingredients under the Act to establish copyright. Statutory declaration alone is not sufficient. In addition, the plaintiffs have produced a deed of assignment dated 1 June 2000 which attempts to take effect retrospectively to 3 April 1966 and that deed of assignment was only notified to the 2nd plaintiff in 2009. Effectively it shows that the 1st plaintiff by entering into the deed of assignment acknowledges until 2000 the statutory requirement of assignment under our Act has not been satisfied. In addition, it also goes to show that the 2nd plaintiff when the action was initiated could not have been a licensee *per se*. As a general rule contractual provisions relating to rights and obligation can be made to be effective retrospectively provided third parties' interest is not affected. Support for the proposition can be found in a number of cases. To name a few are as follows: (i) *Trollope & Colls v.*

Atomic Power Contractors [1963] 1 WLR 333; (ii) *The Atlas Ceiling & Partition Co. Ltd v. Crowngate Esates (Cheltenham)* 2000 WL 742076; and (iii) *City of Westminster v. Clifford Culpin and Partner* [1987] 12 Con LR 117 CA.

However, when it comes to proprietary rights such as assignment, the scope may be limited. Support for the proposition is found in a number of cases. To name a few are as follows:

(i) *Goodacre v. Meyer and Another* [2002] EWHC 1785 (Ch), where it was stated:

> Only in August 1995 did the claimant obtain an assignment. That purports to be retrospective, but I do not see how an assignment can be retrospective, at least as regards a third party. I therefore have grave doubts as to the claimant's right to bring an action at all.

(ii) *The Film Investment Corporation of New Zealand (Receiver Appointed) and Another v. Golden Editions Pty Ltd (T/A Hughes Leisure Group)* [1994] 28 IPR 1, where it was stated:

> but it seems to me there are even more fundamental flaws in the scheme embodied in the deed of 13 November 1990. In the first place, it is not possible, if the exclusive licenses purportedly held by FICNZ were not valid, for Mr. Wass and FICNZ to make them so retrospectively. What had been written in 1988 had been written, and they could not change a line except for the future. They did not have Parliamentary power of retrospective legislation. So any exclusive license or assignment brought into existence by the deed of 13 November 1990 could only have operation as from the date.

(iii) *Westpac Banking Corporation and Anor v. Market Services International Pty Ltd and Ors* [1996] VIC Lexis 1096, where it was stated:

> Westpac plead only a transfer by Chase to it of the guarantee by the deed of assignment dated 8 March 1994 referred to earlier (ExR). It was contended for Mr. Mrs. Hughes that this deed was ineffective as an assignment for two reasons … First, it was said that the deed was void because it purported, impermissibly, to operate retrospectively,

A from a date almost three years earlier. It was said that, whilst legislatures could make legislation retrospective, parties could not make their agreements retrospectively, at any rate where (as here) the rights or liabilities of third parties were affected. I agree with the last submission, but I do not accept that the conclusion follows that the whole deed is void or ineffective.

On the facts of the instant case the assignor cannot for a moment be said to be the original owner as set out in s. 37 of CRA 1987 and the plaintiffs have not satisfactorily established according to the threshold requirement of the Act to consider the two cases cited by the plaintiffs namely: (i) *Re Greenfield (supra)*; (ii) *Andritz Sprout (supra)*. I also take the view that a retrospective assignment for purpose of Copyright Act ought not to be entertained as it may encourage litigation or fraudulent litigation by the execution of self serving statements etc;

(d) It is my findings that there is much merit in the contention of the defendant *inter alia* that (i) the plaintiffs have failed to produce any employment records in relation to the makers. The drawings only carry the initials of the maker. In consequence, the 1st plaintiff has failed to prove ownership of the copyright subsisting in the drawings; (ii) the statutory declaration, PW1, does not annex the 1st issue of the drawings but subsequent issues only. And the drawings do not carry dimensions. In consequence, evidence of PW1 does not comply with s. 42 of the Act; (ii) the drawings are subsequent issues. In consequence, they do not have sufficient originality as required under copyright law; (iv) the plaintiffs should have produced a full set of the drawings that describe the Kent PSM meter but only six drawings were relied on in this suit; (v) the plaintiffs had failed to prove that a substantial part of the Kent PSM meter had been copied; (vi) the defendant's meter had been independently developed; (vii) the plaintiffs had tendered no evidence beyond the letter of demand to impute 'knowledge' on the part of the defendant.

[11] For reasons stated above I dismiss the plaintiffs' claim with costs. The costs is fixed in the sum of RM70,000 to be paid by the plaintiffs to the defendant.